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March 19, 2003

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *In the Matter of Application of SBC Communications Inc., Michigan Bell Telephone Company, and Southwestern Bell Communications Services, Inc. for Provision of In-Region, InterLATA Services in Michigan, WC Docket No. -03-16*

Dear Ms. Dortch:

In response to a request from the Commission Staff, AT&T hereby responds to SBC's recent claims, both in its reply submissions and in an ex parte submission,[1] concerning SBC's policies and practices on line splitting. In particular, this letter responds both to SBC's attempts to defend both (i) its refusal to allow CLECs to continue to use the same loop for UNE-P when moving from a line splitting to a UNE-P arrangement, and (ii) its refusal to implement versioning at the trading partner ID level. Neither of SBC's positions can be squared with SBC's nondiscrimination obligation under Section 251.

1. Line-splitting to UNE-P. SBC admits that its policy for CLECs, whenever it converts a line splitting arrangement to UNE-P, is to refuse in all cases to allow the CLEC to "re-use" the existing loop and instead to require the CLEC to purchase a new loop from SBC. SBC also admits that it follows a different policy when making an identical conversion from line sharing to retail POTS service for one of its own customers. In that scenario, SBC admits that in all cases it does re-use the existing loop. Chapman/Cottrell Reply Aff. ¶ 10 n.18; SBC Ex Parte , Att. A, pp. 18-19.[2]

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[1] *See* SBC's Joint Reply Affidavit of Carol Chapman and Mark J. Cottrell ("Chapman/Cottrell Reply Aff."); Ex Parte Letter from Geoffrey M. Klineberg to Marlene H. Dortch, FCC (Mar. 17, 2003), Att. A, pp. 13-15 (versioning), 18-19 (new loop required for line splitting to UNE-P) ("SBC Ex Parte").

[2] Although SBC has also tried to claim that it "does not provide DSL service in Michigan," that

There is also no question that this policy difference starkly disadvantages CLECs. At the very least, the "no-reuse" policy allows SBC to impose a $20 non-recurring charge on the CLEC for setting up the new loop. The "no-reuse" policy also sets SBC up to make the argument that it is provisioning a "new combination" of elements, which – in SBC's view – would allow SBC to place additional and expensive burdens of combining elements on the CLECs. By imposing a more complicated provisioning process involving a new loop on what would otherwise be a very simple process (involving changing out cross-connects), SBC's no-reuse policy will lead to needless service disruption for CLEC customers that SBC's customers will never face. And, as shown below, SBC's no-reuse policy may permit SBC to engage in further quality discrimination in the initial provisioning of the loop that will be very difficult for a CLEC to detect.

The only question, therefore, is whether SBC has presented an adequate justification for this otherwise starkly discriminatory policy. It has not. SBC's sole explanation is that in providing a CLEC an "xDSL" capable loop suitable for line-splitting, SBC may have provided the CLEC with a loop that is not capable of providing voice service at a level of "quality" that meets Michigan Bell's standards.[3] SBC's concern is that "the CLEC, or partnering CLECs, may be providing voice service of lower quality than that provided by Michigan Bell"; to avoid continuing that potentially poor service, SBC requires the CLEC to purchase a new loop.

SBC's stated rationale provides no valid justification for its discriminatory policy. Rather, it is further evidence that SBC's policy is discriminatory.

Nowhere does SBC explain how a CLEC could alter a loop once SBC has provisioned a line splitting arrangement in a manner that would degrade the voice service below SBC's standards, and AT&T is not aware of any such potential alteration that a CLEC could

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statement is highly misleading. Chapman/Cottrell Reply ¶ 10. As SBC concedes, it provides voice service and offers data services through its affiliate AADS of Michigan, Inc. *Id.* SBC seeks to cloak the voice and data services it provides with AADS in the guise of "line sharing" under the *Line Sharing Order*, but the term "line sharing" is limited to those situations in which SBC offers voice service and a competitive LEC offers the data service to customers. *Line Sharing Order* ¶ 4. As is most frequently the case, SBC offers voice and data service in conjunction with AADS. This SBC/AADS voice/data service is governed by the nondiscrimination requirements of Section 251 to ensure that CLECs are receiving line splitting and associated OSS on a nondiscriminatory basis. *See Assoc. of Communications Enterprises* v. *FCC*, 235 F.3d 662 (D.C. Cir. 2001). SBC cannot provide voice and data services to itself and its affiliate on terms more favorable than those it provides to CLECs seeking to provide the line splitting services authorized by the *Line Sharing Reconsideration Order*.

[3] SBC Ex Parte, Att. A, p. 19.

make. Thus, if there is any reason that the "xDSL loop" as provisioned by SBC cannot support SBC-grade voice service, that is a reason that should be apparent to SBC at the time of provisioning. SBC's protestations concerning a lack of knowledge of the loop's characteristics therefore have no merit.

SBC also does not explain how it is that SBC can have total confidence that the loop that it provides its own data affiliate, AADS, will be suitable for voice-grade service, but that the CLEC's loop will not. What is it about SBC's provisioning processes that ensures that every customer who signs up for SBC's voice and data combination is assured of getting a loop that guarantees them voice service that meets "Michigan Bell's" quality service standards, but that renders SBC so doubtful about the quality of voice service that CLECs will be able to offer that SBC must refuse, in every case, to re-use the loop for voice service? SBC conspicuously provides no answer to this question.

SBC's "no re-use" policy for CLECs may thus reflect preferential treatment in provisioning that SBC accords its own affiliate but denies to CLECs. But if all provisioning is equal, then SBC's "no re-use" policy may have an entirely different motivation that SBC has yet to disclose. But the central point is that SBC has entirely failed to advance any valid reason for its policy of refusing to re-use CLEC line splitting loops for UNE-P. By relegating CLECs to a more expensive process that SBC does not require when it moves its own customers from a combined SBC voice-data service to SBC voice only, SBC is denying CLECs access to unbundled network elements in a manner equal to what it provides itself, and therefore is violating its nondiscrimination obligations under Section 251.

2. Versioning: SBC also fails to defend its discriminatory versioning policy. That policy requires that AT&T and Covad (or any other third party with which AT&T may wish to collaborate to provide local telecommunications services) use the same version of the EDI interface (in terms of version and dot release) when Covad submits to SBC data service orders using AT&T's OSS codes. As AT&T has previously shown, this is a practical impossibility and will doom any attempt by CLECs to partner with a third party to provide joint services on any significant scale. It is also blatantly discriminatory, because SBC and its affiliates face no comparable limitations from versioning. For this reason, AT&T has proposed that SBC implement provisioning at the "Trading Partner ID" level as other RBOCs have done, rather than at the current OCN level, which would eliminate the obstacle to joint CLEC ordering that SBC's current system imposes.

Despite numerous opportunities, SBC has yet to advance any valid reason for refusing to implement versioning at the "Trading Partner ID" level. Most recently, this Commission asked SBC, point blank, to support its claim that "it would be burdensome and expensive to make AT&T's suggested change re: the versioning process, that is to change from using OCN level to the trading partner ID level."[4] SBC has not done so. Instead of addressing

[4] SBC Ex Parte, Att. A, p. 13.

the costs of implementing versioning at the Trading Partner ID level, SBC instead provides "a high level analysis of what it would take to allow a single CLEC to submit PONs in more than one EDI version." In footnote 9, which is attached to the phrase just quoted, SBC then admits that what it has evaluated is not what AT&T has proposed, but rather is versioning based on PONs.

The misleading nature of SBC's response does not stop there. In footnote 9, SBC purports to have set forth an analysis, in paragraph 62 of the Cottrell/Lawson Joint Reply Affidavit, as to why the "Trading Partner ID would not be an appropriate method" for versioning. But paragraph 62 of Cottrell/Lawson purports to explain only why SBC did not *initially* adopt versioning at the Trading Partner ID rather than the OCN level. It contains no evaluation of why SBC today is rejecting AT&T's request for versioning at the Trading Partner ID level.

Indeed, the only sentence that is at all responsive to the Commission staff's question is the last sentence of footnote 9. There SBC asserts – without support or explanation – that "the most logical choice, based on discussion with CLECs, is by transaction, and in the case of ordering, that would be the Purchase Order Number." The absurdity of SBC's position on versioning is thus starkly apparent. SBC spends a page and a half of text laying out the enormous cost and burden of implementing an approach to versioning that certain unnamed CLECs have supposedly requested – and which SBC calls the most "logical." Yet nowhere does SBC explain why AT&T's explicitly proposed approach to versioning – which is different than the one SBC describes – is either too burdensome, too costly, or inappropriate.

One would think that if SBC truly faced insurmountable costs from implementing versioning at the Trading Partner ID level (which AT&T has requested and the Commission staff has asked about), SBC would have described those costs, rather than describing the costs of versioning at the PON level (which that AT&T has not requested and the Commission Staff has not asked about). In all events, as indicated in the attached Supplemental Declaration of Sarah DeYoung and Timothy M. Connolly ("DeYoung/Connolly Supp. Dec."), AT&T believes that SBC would face lower costs were it to implement versioning at the Trading Partner ID level (as other RBOCs have done) rather than at the PON level. And as the attached declaration further explains, none of SBC's proposals to shift the burden to CLECs to absorb the cost of SBC's discriminatory versioning policy has merit. *Id.* ¶¶ 31-32.

SBC's failure to defend its refusal to implement versioning at the Trading Partner ID level is particularly significant because it demonstrates yet another respect in which SBC has failed to provide CLECs with nondiscriminatory access to OSS. The duty to provide versioning at a level that allows AT&T to collaborate with a third party in providing services arises not only under the *Line Sharing Reconsideration Order* (which required BOCs to develop appropriate OSS to support line splitting) but under Section 251 as well. SBC's current versioning policy imposes obstacles on the ability of a CLEC to work jointly with a third party (whether for line splitting or for other purposes) that SBC does not face when working jointly with its affiliates or third parties. SBC's unjustified refusal to change its versioning policy is thus an independent reason to conclude that SBC has not fully implemented its checklist obligations.

3. SBC's Remaining Assertions Concerning Line-Splitting

In addition to supporting the points set forth above, the attached DeYoung/Connolly Supplemental Declaration responds to other ways in which SBC errs in defending its efforts to comply with its line splitting obligations. In particular, the DeYoung/Connolly Supplemental Declaration confirms that SBC fails to provide appropriate line splitting documentation for CLECs, that SBC has not established workable OSS processes that allow AT&T and Covad to offer customers a seamless transition to their joint voice and data service, and that SBC's attempt to rely upon BearingPoint's testing is unavailing.

Yours sincerely,

/s/ Alan C. Geolot

Alan C. Geolot

Attachment

cc: John P. Stanley
Gina Spade
Marcus Maher
Susan Pié
Layla Seirafi-Najar
Ann Schneidewind

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of Application by SBC Communications Inc., Michigan Bell Telephone Company, and Southwestern Bell Communications Services, Inc. for Provision of In-Region, InterLATA Services in Michigan	)	WC Docket No. 03-16

SUPPLEMENTAL DECLARATION OF SARAH DEYOUNG AND TIMOTHY M. CONNOLLY

1. My name is Sarah DeYoung. I previously submitted initial declarations in this proceeding with Walter Willard on OSS issues and with Timothy Connolly on line splitting issues, and reply declarations with Walter Willard on OSS issues and with Shannie Marin on billing issues. My background and credentials are set forth in the initial declaration I filed with Walter Willard on OSS issues in this proceeding.

2. My name is Timothy M. Connolly. I previously submitted an initial declaration in this proceeding with Sarah DeYoung on line splitting issues and with Karen Moore on performance measure issues, and reply declarations with Karen Moore and Sharon Norris on performance measure issues. My background and credentials are set forth in the initial declaration I filed with Karen Moore on performance measure issues. In particular, I am addressing SBC's erroneous claim that BearingPoint's testing supports the reliability of SBC's line splitting processes.

I. PURPOSE AND SUMMARY OF DECLARATION

3. This supplemental declaration responds to SBC's line splitting arguments in the Joint Reply Affidavit of Carol A. Chapman and Mark J. Cottrell ("Chapman/Cottrell Reply") and updates the record on AT&T's efforts to place line splitting orders in Michigan. Our initial declaration addressed the AT&T/Covad line splitting arrangement to provide voice and data services to Michigan consumers and SBC's anticompetitive provisioning practices and versioning policy that undercut efforts to make line splitting available. We expressed concern that SBC has not developed workable electronic OSS processes to provision line splitting orders to allow AT&T to provide voice service and Covad to offer data services to Michigan customers. We also addressed problems with SBC's processes for converting line splitting to UNE-P service, including possible loss of service for seven days and loss of telephone number, and compared the processes available to AT&T, Covad, and other CLECs with the processes available to SBC when its data affiliate, AADS, loses data service.[1]

4. Since the filing of our initial declaration, the concerns expressed therein regarding SBC's line splitting processes have been confirmed. With respect to the process that SBC offers for removing DSL from UNE-P customers, SBC admits that this process is discriminatory. Under this scenario, SBC requires the UNE-P provider to acquire a new loop, which involves service disruptions and significant NRCs totaling $21, almost $18 of which is attributable to the new loop NRC. In contrast, when a customer of SBC's data affiliate discontinues its data service, SBC retains the same loop. Moreover, notwithstanding the claims in the Chapman/Cottrell Reply, SBC has not established workable processes to provision line

[1] SBC describes its participation in joint voice/data services as "line sharing," but that is largely a misnomer. "Line sharing" refers to the provision of voice service by an ILEC and data service over the high frequency portion of the loop by a competitive LEC. *Line Sharing Order* ¶ 4. As much of SBC's provision of voice service with a data LEC involves one of its data affiliates, that

splitting orders and has published documentation that is internally inconsistent and contradictory. AT&T's attempts to determine the appropriate processes to use to submit orders have yielded conflicting answers from SBC, and test orders submitted by AT&T after consulting with SBC about the appropriate processes have encountered errors and jeopardies by SBC's OSS as a result of SBC's inadequate documentation. Moreover, AT&T's test order could never work in a commercial environment because live commercial orders will be coming from two separate interfaces (the voice order from AT&T and the data order from Covad), which can only be related to one another via SBC's RPON ("related purchase order number") field. As discussed below, RPON'd orders from different gateways must be sent within four hours of one another, and recent experience has shown that SBC cannot properly process RPON'd orders for DSL service.

5. SBC's versioning policy continues to act as an impossible hurdle to any cooperative voice/data arrangement between AT&T and Covad, and SBC's practices clearly discriminate against CLECs in favor of its SBC/SBC affiliate voice/data offerings. Finally, SBC's claim that BearingPoint's testing somehow supports SBC's line splitting processes is demonstrably untrue. In short, SBC's policies and practices compel a finding that it does not meet its 271 obligations with respect to line splitting.

II. SBC'S PROCESSES FOR DISCONNECTING DATA SERVICE FROM UNE-P CUSTOMERS ARE DISCRIMINATORY AND UNREASONABLE.

6. SBC has not demonstrated that it has established processes for handling the disconnection of data service from an existing line splitting situation and reversion to UNE-P service. In our initial declaration, we described the problems with SBC's line splitting to UNE-P processes. In discussions with SBC representatives on this issue, SBC indicated that a line

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service is more accurately described as "SBC voice/SBC affiliate data service."

splitting to UNE-P conversion would require three orders and could result in loss of service of service for seven days and loss of telephone number. DeYoung/Connolly Dec. ¶ 20.

7. On reply, however, SBC states that there is a one order process available in Michigan for line splitting to UNE-P, which it claims will result in minimal service disruption.[2] Under this process, SBC states that it will establish a new voice loop for AT&T, disconnect the existing switch port from Covad's cage, and reconnect the switch port to the new voice loop, allowing the customer to keep its telephone number. Chapman/Cottrell Reply ¶ 9.

8. There is no guarantee that this process will work. The process outlined in SBC's reply declaration was "revised" in the CLEC Handbook on SBC's website as of March 3, the day before reply comments were due to be filed in this proceeding. Moreover, as of that date, while the CLEC Handbook referenced an LSR example documenting the appropriate form of order that CLECs should use to follow this process, no such example was available on the website. Without such an example, CLECs cannot submit this order type.

9. On March 6, I asked my SBC account representative when an LSR example for this scenario would be available. SBC responded to my e-mail on March 13, stating that the "LSR example was inadvertently removed from CLEC Online. [The r]equest to have them restored was placed on March 11."[3] Thus, because the LSR example had been "inadvertently removed" from the website, and SBC took so long to respond to my request about

[2] SBC also claims that the UNE-P configuration should simply remain in Covad's collocation cage. Chapman/Cottrell Reply ¶ 7. As AT&T described in our initial declaration (DeYoung/Connolly Dec. ¶ 21), however, this arrangement is unsatisfactory because the line remains tied to Covad's collocation facilities (as conceded by the Chapman/Cottrell Reply ¶ 7), even though Covad no longer has any role in the provision of service to the customer. The tie to Covad's collocation facilities represents an additional potential point of failure and needlessly complicates resolution of any trouble with the customer's service by requiring Covad's involvement in resolution of that trouble.

[3] Email from Janice Bryan, SBC Michigan, to Sarah DeYoung, AT&T (March 13, 2003) (SBC responses set forth immediately following individual AT&T questions) ("SBC March 13 Email")

this process, SBC has effectively prevented AT&T from submitting any orders to test this scenario during the course of this proceeding. Thus, AT&T cannot determine whether there will be minimal disruption to the customer's service when it converts back to a UNE-P arrangement, as SBC now asserts, or whether the customer will experience a more significant interruption in service, as SBC told AT&T was likely several months ago.

10. In any event, what has become clear about this process on reply and in connection with submissions to the Michigan PSC filed before the March 4-5 collaboratives is that this process is unworkable and discriminatory. First, SBC makes clear that this process must be submitted by facsimile for manual handling. Given the various aspects of the order that must be completed (establishment of a new voice-grade loop, disconnection of the switch port from the DLEC cage, and reconnection of the switch port with the new loop), the manual processing of the order on both sides of the interface increases the possibility that errors will occur.[4] SBC has declined to answer my question about when this process will be mechanized.[5]

11. SBC's practices are also discriminatory. SBC admits that its policy for CLECs, whenever it converts a line-splitting arrangement to UNE-P, is to refuse in all cases to allow the CLEC to "re-use" the existing loop and instead to require the CLEC to purchase a new loop from SBC. Chapman/Cottrell Reply ¶ 10 n.18. SBC also admits that it follows a different policy when making an identical conversion from line-sharing to retail POTS service for one of

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(attached hereto as Attachment 1).

[4] SBC suggests that AT&T failed to raise this line splitting to UNE as a "new scenario." Chapman/Cottrell Reply ¶ 9 n.14. In fact, it is not a new scenario. This "scenario" was discussed in the Michigan line splitting proceedings over a year ago. *See* June 25, 2001 email of Kelly Fennell (SBC Michigan) to MPSC Line Splitting collaborative participants (attached hereto as Attachment 2) (discussing pricing for line splitting to UNE-P scenario).

[5] SBC March 13 Email (stating that process was manual but declining to respond to question asking when process would be included in future OSS release).

its own customers. In that scenario, SBC admits that in all cases it does re-use the existing loop. *Id.*

12. This policy difference discriminates against CLECs. At the very least, the "no-reuse" policy allows SBC to impose a $20 non-recurring charge on the CLEC for setting up the new loop. The "no-reuse" policy also sets SBC up to make the argument that it is provisioning a "new combination" of elements, which – in SBC's view – would allow SBC to place additional and expensive burdens of combining elements on the CLECs. And, as shown below, it may permit SBC to engage in further quality discrimination that will be very difficult for a CLEC to detect.

13. SBC's sole explanation for this discriminatory conduct is that in providing a CLEC an "xDSL" capable loop suitable for line-splitting, SBC may have provided the CLEC with a loop that is not capable of providing voice service at a level of "quality" that meets Michigan Bell's standards.[6] SBC's concern is that "the CLEC, or partnering CLECs, may be providing voice service of lower quality than that provided by Michigan Bell"; to avoid continuing that potentially poor service, SBC requires the CLEC to purchase a new loop.

14. SBC's stated rationale provides no valid justification for its discriminatory policy. Rather, it is further evidence that SBC's policy is discriminatory. Nowhere does SBC explain how a CLEC could alter a loop once SBC has provisioned a line-splitting arrangement in a manner that would degrade the voice service below SBC's standards, and AT&T is not aware of any such potential alteration that a CLEC could make. Thus, if there is any reason that the "xDSL loop" as provisioned by SBC cannot support SBC-grade voice service, that is a reason that should be apparent to SBC at the time of provisioning. SBC's protestations concerning a

[6] *See* Letter from Geoffrey Klineberg to Marlene H. Dortch, FCC (March 17, 2003), Att. A, p. 19 ("SBC March 17 Ex Parte").

lack of knowledge of the loop's characteristics therefore have no merit. SBC also does not explain how it is that SBC can have total confidence that the loop that it provides its own data affiliate, AADS, will be suitable for voice-grade service, but that the CLEC's loop will not. What is it about SBC's provisioning processes that ensures that every customer who signs up for SBC's voice and data combination is assured of getting a loop that guarantees them voice service that meets "Michigan Bell's" quality service standards, but that renders SBC so doubtful about the quality of voice service that CLECs will be able to offer that SBC must refuse, in every case, to re-use the loop for voice service? SBC conspicuously provides no answer to this question.

15. SBC's "no re-use" policy for CLECs may thus reflect preferential treatment in provisioning that SBC accords its own affiliate but denies to CLECs. But if all provisioning is equal, then SBC's "no re-use" policy may have an entirely different motivation that SBC has yet to disclose.[7] But the central point is that SBC has entirely failed to advance any valid reason for its policy of refusing to re-use CLEC line-splitting loops for UNE-P. By relegating CLECs to a more expensive process that SBC does not require when it moves its own customers from a combined SBC voice-data service to SBC voice only, SBC is denying CLECs access to unbundled network elements in a manner equal to what it provides itself, and therefore is violating its nondiscrimination obligations under Section 251.

III. SBC's OSS PROCESSES FOR CONVERTING LINE SHARING TO LINE SPLITTING ARE NOT READY AND THE RECENTLY DISCLOSED NRCs ASSOCIATED WITH THIS SCENARIO ARE UNREASONABLE

16. An important market for the AT&T/Covad voice/data service is SBC voice/SBC affiliate data customers. To offer competitive services to these existing SBC

[7] For example, SBC may prefer to provision loops for CLEC line-splitting arrangements for design/special service loops inventoried in SBC's TIRKS database, whereas SBC provisions its own affiliate's arrangements (and UNE-P arrangements) out of the LFACS database used for POTS service; by requiring CLECs to purchase a new loop, it permits SBC to continue these

customers, AT&T and Covad must be able to transfer that customer seamlessly to AT&T/Covad service to compete successfully in this growing and increasingly popular market.

17. As discussed below, however, AT&T's attempts to submit these orders in Michigan have been largely unsuccessful. AT&T received conflicting advice from SBC on the applicable process, and SBC's documentation for the various line splitting scenarios is inconsistent. As a result, AT&T's orders encountered numerous errors, and a FOC for the line sharing-to-line splitting order was received only after intensive work and repeated submissions. It is still not clear whether this order will be successfully provisioned.

18. In SBC's Amended Compliance Plan ("SBC Amendment Compliance Plan") dated December 11, 2002,[8] SBC states that Scenario 1 (entitled line sharing to line splitting), applies only to those situations in which the DSL carrier remains the same. Thus, to place an order under the December 11 Compliance plan, AT&T would have to combine Scenario 2 (line sharing to UNE-P) and Scenario 4 (UNE-P to line splitting). However, in the SBC CLEC Handbook, the line sharing-to-line splitting documentation (called Scenario 3 in the SBC CLEC Handbook) does not on its face limit the line sharing-to-line splitting scenario to those circumstances in which the data carrier remains the same. Thus, Handbook Scenario 3 would apply whether an SBC data affiliate remained as the data carrier or where Covad replaced the SBC affiliate as the data carrier. If Scenario 3 in the SBC CLEC Handbook were not applicable, then AT&T and Covad would have to follow two separate scenarios, first converting the line sharing to UNE-P and then the UNE-P to the line splitting scenario.

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arrangements rather than simply allowing a CLEC to use a POTS line for line splitting.

[8] SBC Ameritech Michigan's Amended Compliance Plan as Required by October 3, 2002 Opinion Order, I*n the Matter, on the Commission's Own Motion, to Consider Ameritech Michigan's Compliance with the Competitive Checklist in Section 271 of the Federal Telecommunication Act*, Case No. U-12320 (Dec. 11, 2002).

19. Because of the confusion generated by the inconsistent documentation, I sent several e-mails and had several conversations with SBC about the proper scenario to follow. After several such communications and much conflicting advice from SBC, on February 21, 2003, SBC finally clarified that Scenario 3 in the SBC CLEC Handbook applied to situations in which AT&T was converting either an existing SBC voice/SBC affiliate data customer or a line sharing customer (with SBC voice service and an independent DLEC) to AT&T/Covad line splitting service.

20. Under this Scenario 3, a CLEC is required to submit three orders to SBC, which are related via the RPON field. These orders:

- (1) Disconnect the HFPL;
- (2) Install an xDSL-capable loop; and
- (3) Install an unbundled switching ULS-ST line port, with reuse of the existing port and telephone number.

21. After receiving "clarification" from SBC on the inconsistency between the Compliance Plan and the CLEC Handbook, beginning on March 5, AT&T attempted to submit these orders for a test customer that was migrating from SBC voice/SBC affiliate data service to AT&T provided voice and Covad provided data. Because of the versioning restrictions that prevent AT&T and Covad from submitting such orders via EDI, the test orders were submitted via LEX. AT&T received so many error notices on versions 1 through 6 of its first PON that it decided to start over with a new PON two days later. In connection with version 1 of the second PON, AT&T received five separate fatal errors, each of which was attributable to the failure of SBC's documentation to provide the correct ordering procedures. For example, the first error notice that AT&T received read "PS-LNA when the ACT is V, valid entry must be N or V and at least 1 LNA of V is required." Thus, the error occurred because AT&T had not populated V (for

conversion) in connection with the port service-line activity field. However, the CLEC Handbook example specified that on such orders, N (for new) should be populated. Thus, the error occurred because AT&T had populated the order according to SBC's documentation. AT&T received other similar error messages as a result of other SBC documentation errors on this second PON and then received additional error messages on the second version of the second PON that it submitted.[9]

22. Indeed, the only way that AT&T was able to get past the fatal error codes in LEX was to ignore the documentation altogether. Thus, AT&T finally received a FOC on March 10, 2003, but the order was placed in jeopardy status three hours later.

23. AT&T was notified that SBC placed the order in jeopardy status because of an inconsistency between Covad's ACTL (its actual location) and AT&T's BAN (billing account number). This is an inappropriate reason for jeopardizing this order for a number of reasons. First, this is the type of problem that should cause an order to reject, not to be placed in jeopardy status after a FOC has been received.[10] Thus, SBC's ordering systems did not properly handle this inconsistency. Second, whether a reject or a jeopardy, this order should have been processed despite the mismatch between the ACTL and the BAN. In November 2002 Michigan collaborative meetings on line splitting, AT&T specifically asked whether any table updates would be required for this scenario (such as the one that would be required to associate the

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[9] AT&T can provide the supporting detail with respect to these error messages if the Commission so desires.

[10] Jeopardy notices should only be issued for situations in which SBC is unable to provision the service as committed (e.g. lack of facilities, unable to secure access to the customer's premise, etc.), rather than for errors in ordering fields that should have been caught by up-front edits. SBC has made commitments in previous proceedings to eliminate these "post-FOC" rejects, and itself raises this concern regarding performance misses for PM MI 2 in its March 17, 2003 Ex Parte submission. SBC March 17 Ex Parte, Att. A, pp. 11-12. What SBC fails to point out is that these jeopardy notices almost always result in missed due dates that escape detection by the performance measures.

ACTL with the BAN), and SBC stated unequivocally that there was no such need for table updates and that the Letter of Authorization between AT&T and Covad would be sufficient. Moreover, SBC's OSS are not treating this mismatch between the ACTL and the BAN consistently: in a UNE-P to line splitting order submitted by AT&T on February 26 in Michigan, AT&T placed the same Covad ACTL/AT&T BAN information on the order, but that order was *not* rejected or placed on a jeopardy status.

24. Importantly, even if AT&T's order eventually gets provisioned, this three order process will not work on a commercial basis. SBC's processes require that the three orders be submitted on a related basis using the RPON field. On commercial orders, AT&T and Covad will submit separate voice and data orders, but SBC's OSS rules provide that orders from two different gateways can be RPON'd only if the orders arrive at SBC's LSC within four hours of each other. As AT&T and Covad will be submitting the orders from separate locations on separate timetables, it cannot reasonably satisfy this four hour rule. As a result, the related orders from the two different gateways will not be related, and the end user customer will experience prolonged loss of service.

25. In fact, given AT&T's recent experience in Texas in trying to submit RPON'd line splitting orders, it is clear that the SBC cannot process related orders for DSL service. Specifically, AT&T recently tried to change a line splitting customer's data carrier (i.e., line splitting to line splitting) by placing two RPON'd orders to simply change the cross-connect equipment assignment (CCEA and often referred to as the "CFA") for the xDSL capable loop termination and the voice port to SBC switch termination. In this case, the TN was already in a line-split configuration, and AT&T was already the owner of both the loop and the voice port. When the orders were initially placed, SBC provided confirmed due dates of March 17, 2003 on

the loop change order and March 12, 2003 on the voice port change order. The fact that SBC confirmed different due dates on RPON'd orders is itself an indicator of trouble, as RPON'd orders are required to carry the same due date. To avoid trouble, AT&T supplemented the voice port order so that the due date for both orders would be March 17, 2003, and SBC confirmed the changed March 17 due date for the voice port change order. SBC completed changing the CCEA associated with the loop order on March 14, three calendar days in advance of the due date, and provided a service order completion to AT&T. The voice port order was not completed in conjunction with the loop order, as should have been the case for RPON'd orders, and as of March 18, 2003, one day after the confirmed due date, the voice order was still not completed. As a result, the line has been without dial tone since Friday, March 14.

26. AT&T's experience to date demonstrates that SBC's OSS processes for line splitting do not work. As AT&T's experience illustrates, SBC itself has been unclear on the applicable OSS processes and has provided conflicting information and documentation regarding the processes to be used. Moreover, the various rejections, jeopardy notices, and inaccurate LSR examples all point to a process that is not commercially or operationally viable.

27. Finally, in a recent submission in the Michigan collaboratives, SBC disclosed for the first time that the NRCs associated with this scenario would total $24, as opposed to the 35 cent migration charge that applies in a line sharing-to-line splitting arrangement in which the data carrier remains the same. SBC provides no justification, for example, for its requirement that CLECs would need to pay a loop NRC, which totals almost $18, in connection with this scenario. SBC is expected to re-use the same loop that was provided in the line sharing scenario; thus, the migration to a line splitting configuration should require

nothing more than changing a few cross-connects – which should cost a mere fraction of the $18 loop NRC.

IV. SBC's VERSIONING POLICY IS DISCRIMINATORY AND PRECLUDES AT&T AND COVAD FROM ACHIEVING COMMERCIAL VOLUMES OF LINE SPLITTING ORDERS

28. As discussed in our initial affidavit, SBC's versioning policy makes it impossible for CLECs to provide line splitting. DeYoung/Connolly Dec. ¶¶ 13-17. SBC requires that the voice and data CLECs be on the same version of the EDI interface (in terms of version and dot release) in order for the data CLEC to place line splitting orders using the voice carrier's OSS codes. As discussed in our initial declaration, however, it is totally unrealistic for AT&T and its line splitting partner(s) to always be on the same EDI version to be able to enter line splitting orders. Moreover, requiring AT&T and Covad to be on the same EDI version is antithetical to the very purpose of requiring the RBOC to provide versioning in the first place. Versioning is supposed to allow CLECs to use different versions of electronic systems and interfaces so that they can develop their systems at their own pace consistent with their business plans. SBC's "versioning" policy turns that policy on its head to establish a "one size fits all" requirement that only serves to reduce competitive choices available to consumers. *Id.* ¶ 15.

29. This versioning problem has its roots in SBC's insistence that only one carrier (i.e., the voice carrier) act as the "carrier of record" in a line splitting situation. This policy has significant OSS implications. Specifically, from an OSS perspective, SBC will only recognize line splitting orders from the carrier of record on a particular loop, usually the voice CLEC. Thus, when a voice and data CLEC seek to provide a line splitting arrangement, the data carrier must send the line splitting orders using the voice carrier's OSS codes. However, SBC's

versioning policy makes this arrangement impossible by requiring that the voice and data CLEC be on the same EDI version at all times.

30. SBC does not dispute the effect of its versioning policy on CLECs' ability to provide combined voice/data service on a joint basis. Cottrell/Lawson Reply Aff. ¶¶ 58-68. Instead, it attempts to make excuses for it. SBC claims that this problem only came to light due to AT&T's interest in partnering with Covad in line splitting relationships. *Id.* ¶¶ 58-59. AT&T has certainly experienced problems with SBC's versioning policy over the years in dealing internally with different subsidiaries and business units, and has raised this issue with SBC. But the problem has become particularly acute – and has taken on broader competitive significance for purposes of Section 271 -- in light of the obstacles that SBC's versioning policy presents to implementation of AT&T's recent arrangement with Covad. As a practical matter, SBC's versioning policy means not only that AT&T and Covad cannot offer on a joint basis a competitive alternative to SBC's voice/data offerings, but that CLECs and DLECs more generally are prevented from doing so.[11]

31. SBC's suggested solutions to the versioning problem are not commercially practical (Cottrell/Lawson Reply Aff. ¶ 64) and are merely an effort to avoid taking the steps to satisfy its unbundling obligations. For example, reliance on the LEX GUI for line splitting orders is not a practical solution, as it is a web-based interface and cannot support commercial order volumes, especially in a situation in which a high level of coordination is

[11] Indeed, as will be discussed more fully in connection with an ex parte that AT&T will file shortly concerning SBC's overall failure to meet its OSS obligations, it is clear that this policy has implications that extend beyond SBC's obligation to provide appropriate OSS processes for line splitting. For example, AT&T has entered into an arrangement with a third party to assist AT&T's efforts to move some of its customers from UNE-P to UNE-L configurations. As a result of SBC's versioning policy, however, AT&T has not been able to implement this arrangement in the SBC region, and has instead concentrated its implementation efforts in the Verizon region, where AT&T faces no versioning obstacle.

required as in the case of AT&T/Covad. In these situations where one or the other provider will need to share information with its partner, use of EDI interfaces for both the voice and data CLEC is the only viable option. SBC's suggestion that Covad use a service bureau provider is no answer, as the service bureau provider would face the exact same problem of having to use the same EDI version as AT&T. It is also not practical for AT&T to submit all the orders, as SBC argues, because the data carrier must provide the CFA information in the order and must receive the OSS responses (e.g., FOCs and SOCs) that allow it to begin its own provisioning process (e.g., turning up the data circuit, sending the customer the DSL customer premise equipment) and provide appropriate customer service on these orders. For the same reason, it would be no answer to require Covad to submit both the voice and data portions of the order because AT&T needs to receive the notifications from SBC's OSS to process and oversee the voice orders appropriately. Indeed, the appropriate solution is to require SBC to follow every other RBOCs' policy of requiring versioning at the less restrictive trading partner ID, as opposed to the OCN, level.

32. SBC asserts that it has performed a study of proposed changes to its versioning policy based on PON numbers and claims that such a conversion would be tremendously expensive, take 9-12 months, and involve over 10,000 hours to implement. Cottrell/Lawson Reply Aff. ¶ 65; SBC March 17 Ex Parte, Att. A, p. 14. AT&T has not proposed use of PON numbers to identify CLECs but instead has suggested use of Trading Partner ID, which would require SBC to perform additional EDI routing in the EDI translator. We believe that such changes would be less complicated than proposed use of PON numbers. We have not seen SBC estimates of the cost of converting to the Trading Partner ID system but would be interested in a comparison of the costs of the two proposals.

33. Not only is SBC's versioning policy unreasonable, it is blatantly discriminatory. Under SBC's versioning policy, orders submitted by CLECs offering joint services will be rejected if those CLECs are not using the same EDI version. SBC and its affiliates, however, are under no similar limitation. AADS, which uses EDI to place orders to Michigan Bell for the high frequency portion of the loop, is not constrained by versioning requirements when the voice service on that loop is provided by Michigan Bell. Thus, the versioning policy effectively precludes AT&T and Covad from offering line splitting services in a manner that does not similarly affect any entity seeking to provide joint services with SBC. This violates Section 251 nondiscrimination requirements.

III. BEARINGPOINT'S TESTING DOES NOT SUPPORT SBC'S LINE SPLITTING PROCESSES.

34. SBC claims that the BearingPoint OSS testing provides a reliable indication of the capabilities of OSS to process line splitting orders. Chapman/Cottrell Reply ¶¶ 15-18. In fact, as demonstrated in our initial declaration, BearingPoint did not specifically test SBC's line splitting capabilities and reached no conclusions about those processes. Accordingly, BearingPoint's testing provides no support for SBC's line splitting OSS capabilities. DeYoung/Connolly Dec. ¶¶ 8-12.

35. SBC concedes that BearingPoint's OSS testing had been largely completed by the time SBC introduced its single LSR process for converting UNE-P to line splitting in August 2002. *Id.* ¶ 16; *see also* DeYoung/Connolly Dec. ¶¶ 11-12. As SBC did not timely implement the ordering processes and procedures for line splitting (the capability was delayed in the Ameritech region from June, 2002 until August, 2002, due to delays in implementing the LSOG 5 POR releases), BearingPoint was unable to conduct tests of SBC's ordering functionality relating to line splitting. In addition, BearingPoint could not test the

business rules for the single LSR process or, for that matter, SBC's reliance on the three related LSRs for the line sharing-to-line splitting process.

36. SBC cites a few tests conducted by SBC that it claims are relevant to line splitting, Chapman/Cottrell Reply ¶¶ 16-17, but the list of tests that BearingPoint could not conduct in the absence of established line splitting ordering processes is much longer:

- TVV1-2 "SBC Ameritech order documentation used during the course of the evaluation was clear, accurate, and complete."
- TVV1-4 "SBC Ameritech provides required order functionality."
- TVV1-21 "SBC Ameritech systems provide timely Functional Acknowledgments (FA)."
- TVV1-22 "SBC Ameritech systems provide timely Mechanized Reject Messages in response to electronically submitted orders."
- TVV1-23 "SBC Ameritech provides timely Non-Mechanized Reject Messages in response to electronically submitted orders."
- TVV1-28 "SBC Ameritech provides timely Completion Notices."
- TVV1-30 "SBC Ameritech provides clear, accurate, and complete Firm Order Confirmations (FOC)."
- TVV1-31 "SBC Ameritech provides clear, accurate, and complete Reject Messages."
- TVV1-32 "SBC Ameritech provides clear, accurate, and complete Jeopardy Notifications."
- TVV1-33 "SBC Ameritech LSC Service Representatives answer help desk calls in a timely manner."
- TVV1-34 "SBC Ameritech help desks provided clear, accurate, and complete information."

As SBC did not even take these tests, it cannot claim to have passed them for line splitting.

37. SBC's partial testing of various OSS processes in no way qualifies as end-to-end testing of the pre-ordering, ordering, and provisioning processes required to reach a conclusion about the effectiveness of SBC's line splitting OSS processes. Changes to these processes after the conclusion of BearingPoint testing also undercut any claim that BearingPoint has reviewed or reached any conclusion about SBC's line splitting processes. DeYoung/Connolly Dec. ¶¶ 11-12. In the absence of BearingPoint testing of the single order

process or three-order process for line splitting, SBC cannot rely on BearingPoint's testing in this area.

IV. CONCLUSION

38. SBC has had two years since this Commission's *Line Sharing Reconsideration Order* to develop working OSS processes to satisfy its line splitting obligations. To date, the processes do not allow CLECs to convert customers to AT&T/Covad voice and data in a seamless manner or to make available UNE-P service available to former line splitting customers. As a result, SBC cannot be found to be in compliance with its obligations pursuant to Section 271.

VERIFICATION

I declare under penalty of perjury that the facts stated herein are true and correct, to the best of my knowledge, information, and belief.

/s/ Sarah DeYoung
Sarah DeYoung

Date: March 18, 2003

VERIFICATION

I declare under penalty of perjury that the facts stated herein are true and correct, to the best of my knowledge, information, and belief.

/s/ Timothy M. Connolly
Timothy M. Connolly

Date: March 18, 2003

Attachment 1

From:	BRYAN, JANICE J (SWBT) [jb7983@sbc.com]
Sent:	Thursday, March 13, 2003 12:30 PM
To:	Deyoung, Sarah, CSLSM
Cc:	KROST, BECKY (SWBT)
Subject:	FW: Line splitting questions
Importance:	High
Follow Up Flag:	Follow up
Due By:	Thursday, March 13, 2003 9:00 AM
Flag Status:	Flagged

Manual_REQTYPM.doc Disconnect UNE POTS Port-Scen ... New UNE POTS Port Reqtyp F-Scn...

Sarah

I am providing the remaining information for your questions and attaching LSR examples.

Thanks and sorry for the delay.
Janice

-----Original Message-----
From: KROST, BECKY (SWBT)
Sent: Wednesday, March 12, 2003 8:15 PM
To: Sarah NCAM Deyoung (E-mail)
Subject: FW: Line splitting questions
Importance: High

Sarah:

Janice has been working on the answers to your questions regarding line splitting. I received some additional feedback tonight and in reviewing, it appears there are still a couple of outstanding questions we need additional input on. Rather than wait until we had all of it, I decided to send you what we do have. Janice should provide you with the final bullet point tomorrow.

Becky Krost
Director-AT&T/Qwest Account Team
214 464-3757

-----Original Message-----
From: BRYAN, JANICE J (SWBT)
Sent: Wednesday, March 12, 2003 2:55 PM

1. On the Line Sharing to Line Splitting response that you provided on February 24, you confirmed that we should use Scenario 3 in the Handbook when converting an end user from Line Sharing (specifically SBC voice and data) to Line Splitting (AT&T Voice and Covad data). We have tried to submit the 3 related (RPON'd) orders in LEX that are documented in the Handbook, but have received a fatal error for the new switch port order (LSR 1 of 3). Please look for a separate email from Walt documenting the errors he received so that they can be reviewed by SBC SMEs and we can determine next steps. Here's the documentation we are referencing in case that is useful.

SBC Michigan worked with AT&T to determine the cause of the "fatal" errors AT&T reported when it attempted to use the order process documented on CLEC Online. It was determined that SBC Michigan handled the orders properly, and that the rejects received by AT&T were due to CLEC error. Walt has since resubmitted the PON's with correct data and has an FOC for 3/19.

2. On a Line Split to Line Split order, specifically where we are looking to move the cross connects out of an AT&T cage into a Covad cage but keep the voice as AT&T UNE-P, Carol confirmed that we would need to process 2 LSRs to move the cross connects from one cage to the other, rather than the 1 that we thought Janice confirmed was needed. But this scenario is not documented in any of the region Handbooks that I could see, nor are there any LSR examples included. We urgently need either a reference to the LSR examples we should use for each region, or a date when the LSR examples will be available.

Once the UNEs that are used in a line splitting arrangement are established, the CLEC should follow the standard order processes for the UNE in question for all changes going forward.

In the case of the DSL-capable loop, CLEC Online contains order examples for both the change of CFA scenario and the CLEC-to-CLEC migration scenario under Ordering, General Ordering - UNE, LSR Examples, DSL PSD loop.

In the case of the port, Product Management had not previously received a request to provide a process for a change of CFA or a CLEC-to-CLEC migration for the ULS-ST. As a result, these scenarios are not currently documented online. Sample LSRs for these scenarios are being developed and will be provided shortly (enclosed)

In both the change of CFA scenario and the CLEC-to-CLEC migration scenario, CLECs may relate the DSL-capable loop and ULS-ST LSRs, if desired, by populating the RPON field.

3. On a Line Split to UNE-P order, the Ameritech Handbook references a single manual order that can be used in lieu of the 3 orders that had been confirmed for all regions. Here's what we need confirmed for this type of conversion:

* Please confirm the date that this section was added to the Ameritech Handbook, and if this information resides in any of the other regional Handbooks. If not, please advise if/when it will be added.

* The Handbook documentation references an LSR Example that seems to be missing from any of the LSR Example sections (I checked Line Sharing, Line Splitting, UNE-Port, and UNE Platform/CPO). Please provide correct reference(s), or the date when the LSR Example will be available.

* The Handbook calls this a new UNE-P order that reuses the switch port. But, like in the new switch port order for Scenario 3 (above) , the documentation then calls for using ACT=V, which is for migrations. Please clarify.

* The Handbook states that this single order is "manual", but Carol could not clarify if that meant a manual fax order from us, or it would fall out for manual handling. Please clarify. If manual fax, please provide rationale and the date when order type is expected to be added to an OSS release.

This scenario is for Ameritech Only. Currently today there is not a process in place in the other regions.

The LSR example for this scenario in Ameritech was inadvertently removed from CLEC Online. Request to have them restored was placed on March 11. This usually takes a couple of days to be updated. I am providing the example to you until it does get updated.

The LSR for this request will utilize an ACT type of "V." Although a new UNE-P will be installed (because a new voice-grade loop will be needed) , SBC Michigan uses the ACT of "V" because the telephone number of the port will be reused.

The LSR must be submitted manually by fax. As this is a single-LSR process, there is no need to relate LSRs.

* Carol stated that it is the port, and not the loop, that will be reused. She said that in all cases, the DSL-capable loop that we are purchasing will stay connected and working unless and until we do a separate order to disconnect it. But the Handbook says that the DLEC will get a loss notice once the new UNE-P order is completed, and if they don't disconnect it within 3 days, it will be automatically disconnected. Please clarify which is correct.

The process in the handbook reflects the general regional approach to both Line Sharing to UNE-P and Line Splitting to UNE-P. The website will be updated to fully reflect the Michigan Commission's Order which approved SBC's Amended Compliance Plan for the Line Sharing to UNE-P scenario; however, what is contained there today for the other four states is valid. That is, in a Line Share arrangement, once the SBC voice is discontinued, the CLEC must either convert to a stand-alone DSL-capable loop or disconnect the HFPL. The loss notification to the DLEC applies in a line sharing arrangement because the DLEC must act or lose the loop facility.

As to the Line Splitting to UNE-P scenario, the website appropriately shows the order scenario to use. In this instance, a new voice grade loop is provisioned to provide the UNE-P(with re-use of the TN on the ULS-ST port). The DSL capable loop remains in place until the CLEC sends in a disconnect.

Thus, Carol's response and the website are correct and fully consistent.

4. Finally, we've given some more thought to SBC's position re: reuse of the port but not the loop when converting a customer from Line Splitting back to UNE-P Voice or SBC Retail Voice. Carol's explanation, and the one that is offered in the above Michigan filing, was that the DSL-capable loop is not "suitable" for providing voice service (e.g. inhibitors needed to enhance voice service were removed). Please confirm that Carol's explanation is correct and, if so, please explain why this does not impact the voice service being carried on the low frequency portion of such a loop.

SBC does not know if a DSL-Capable loop is suitable for voice. In order to reuse the facility, we would first have to assure that it met our requirements for a voice loop. Thus, SBC provisions itself a new voice grade loop when it wins the voice back to assure quality.

AT&T would appreciate SBC's response by COB Friday, and if possible an expedited response on the LSR Examples that we could not locate. Let me know if you have questions or need more information.

Attachment 2

From: FENNELL, KELLY A. (AIT) [kf2429@sbc.com]
Sent: Monday, June 25, 2001 10:55 PM
To: 'Reidy,John J,III (Jay) - LGA'; 'John Kern'; Vanderpol,Rebecca L - NCAM; Trabaris,Douglas W (Doug) - LGA; Tom Lonergan; Christine Emmel; Jim Severance; Bill Ralls; Finney,Scott L - NCAM; Stalker,Clark M - LGA; Mike Batts; Rick Schmaltz; Dan Kearney; Robin Ancona; Rodney Gregg; Ann Schneidewind; Jeff Santry; Drinski,Michael - Broadband; Evelyn Ruffin; Al Ernst; Karen Kinard; Karen Coleman; Sherry Lichtenberg; James Denniston; Rick Gould; Tom O'Brien; Mark Wayne; Orjiakor Isioguo; Samonek,Joanne C - NCAM; Moore,Karen W - NCAM; Pearl,Denise A - LGA; Brown,Frances E (Francie) - LGA; MCKENZIE, DANIEL R. (AIT); Magiera, Joe (AIT); GLEASON, ROBIN M. (AIT); FRENTZ, SUSAN (AIT); Fioretti, Salvatore T (AIT); ANDERSON, CRAIG (Legal); APPENZELLER, TERRY (AIT) 05/31; Scot Cullen; Nick Linden; Erin Gravelyn; Allen Francis; Gomoll,John - LGA; Karl Henry; VANDERSANDEN, SCOTT (AIT); lrrosier@clarkhill.com; Theresa Powell; Haran C. Rashes; Steve Hughey; Brad Kruse; Camie Swanson-Hull; Chorzempa,David J - LGA; John Eringis; Timothy M Connolly; ffranco@covad.com; Todd McNally; kenneth.schifman@mail.sprint.com; Rod Cox; Bill DeFrance; Adam Gilbert; David McGann; Morreale, Carla; BARTON, JEFF (AIT); John Rubino; mecarter@covad.com; bszafran@covad.com; Mike Ashton; mhazzard@kelleydrye.com; rwalters@z-tel.com; LENAHAN, JOHN (Legal); Paul_Rebey/FOCAL@focal.com; Jane_Van_Duzer/FOCAL@focal.com; Brian Mahern; Jerry FINEFROCK; Yolanda Vorys; Kathy Wilson; Jeff May; MITCHELL, JOHN M (PB); HAPPEL, RANDOLPH E. (AIT); edwin-kh_ko@hp.com; HERITAGE, DEBORAH O (MSI-USA); Gorfin, Eugene; Hawkins, Robert; Bennett, Bruce; Sue Platner; Mielert, Peter T; CHRISTENSEN, FRED C. (AIT); Emily Salisbury; Howard Siegel; Craig Siwy; Jack Dempsey; Christopher Frentrup; FERRIER, MARTHA (AIT); DEDOLPH, LINDA (AIT); Cegelski, Mary; SIEN,JOHN (HP-USA,ex1); CLARK,MARK A (HP-USA,ex1); BETHKE,NEIL (HP-USA,ex1); KOERNER,BILL (HP-USA,ex1); JOE,MICHAEL (HP-USA,ex1); PRYOR,HOLLIE (HP-USA,ex1); INCE,JERRY (HP-Cupertino,ex1); Hegstrom,Cate D - LGA; Gray, Linda; Cahaan, Richard; Choueiki, Hisham; HUDZIK, JOHN (AIT); Peterman, Linda; COTTRELL, MARK X. (AIT); Chad Sharp; Jon Ladage; NAVICKAS, DONNA (AIT); John_Parker Erkmann; YOLANDA VORYS; Brett D. Leopold (E-mail); jon.r.hamm@mail.sprint.com; dhsiao@rhythms.net; Scott, Jonathan C; Mulcahy, Michael; Boswell, Rebecca; Maureen Flood; CARO,ANTHONY (HP-USA,ex1); BROWN, JUSTIN (MSI-USA); MURRAY, SHAWN M. (AIT); MARIFKE, CHRISTINE J. (AIT); Ozanick, Mark; BYRD, BRUCE R. (Legal); BERENBAUM, STEVEN L. (AIT); KABZINSKI, EMMA (AIT); Donovan-RADNOR, Elizabeth
Subject: RE: U-12320-Line Splitting Scenarios and the MTP

6-25-01 Ameritech MI Pricing ...

All:

As represented on the June 15 collaborative call, we are attaching line splitting pricing examples. Included on the attached pricing spreadsheets are: "new line splitting", Scenarios 1a and 1b; "line sharing to line splitting", Scenarios 2a and 2b; "UNE-P to line splitting", Scenario 3; and, "line splitting to UNE-P", Scenarios 4a and 4b. In each, the definition of the scenario and the assumptions made are articulated, along with the non-recurring and monthly recurring charges that would apply. In some instances, additional notes or considerations are also provided. This pricing information supplements Ameritech Michigan's Response to AT&T's Information Request No. ATAM0015. (Ameritech Michigan's response to AT&T's Information Request was provided to the service list of Case No. U-12320.) Ameritech Michigan is in the process of providing additional documentation that will give CLECs further direction on how to place the related orders for various line splitting scenarios. That documentation should be available on CLEC OnLine, with notification via accessible letter, by mid-July, 2001.

Ameritech Michigan also responds to the questions/statements provided in reply to our 6/18/01 e-mail, which provided Ameritech Michigan's position on why the "line splitting back to UNE-P scenarios" presented by AT&T should not be included in the Michigan Master Test Plan (MTP).

As a preliminary matter, it is important to note that when dealing with a line splitting situation, there are myriad scenarios that may occur, depending on the number of CLECs involved, which is collocated, which has the splitter, which has the DSLAM, and what methodology (UNEs or self-provided) is used to provide the voice service. Thus, in preparing this response, the attachment, and Monday's position statement, Ameritech Michigan focused on the scenarios presented and the situations in which they would most likely occur.

Ameritech's June 18 position that the MTP should not be changed was based on the most straight forward and common application of "line splitting to UNE-P" scenarios. Ameritech assumed that the CLECs would work out all terms and conditions amongst themselves when they entered into their splitting arrangements. (This is reflected in scenario #4a in the attached spreadsheet.) However, we recognize that there may be circumstances when the CLEC relationships may falter or end and a different approach may need to be taken to continue providing services to the end user - voice and/or data. Thus, we also address an additional scenario in #4b, which reflects that a CLEC will be purchasing a New UNE-P pursuant to its Mi2A (Michigan 271 Amendment) or its merger commitments amendment as the two UNEs that will make up the combination are not currently combined within Ameritech's network. (See, MPSC Tariff No. 20R, Part 19, Section 15, Sheet 1 and 3) The addition of this scenario in the attached spreadsheet addresses an issue raised in the Staff, Worldcom and AT&T comments. In answer to the MPSC Staff's questions regarding potential differences in monthly charges for this scenario, please see scenario #4b in the attached pricing examples and compare it to the previous scenarios.

Although we have added a pricing scenario, Ameritech Michigan continues to conclude that additional changes to the MTP are not necessary. As stated previously, under #4a the CLEC will do its own combining of the loop and port and thus there are no Ameritech Michigan processes to test. This will be the most likely scenario to occur when moving out of a line splitting arrangement. Further, Ameritech Michigan believes that there is no need to add to the MTP for scenario #4b for the following reasons. First, Ameritech Michigan believes that this situation will be the exception, not the rule, and thus will be used seldomly. Second, when this scenario is encountered, it is ordering a New UNE-P per the Mi2A, which is already covered in the MTP.

Ameritech Michigan also responds to the other points raised by AT&T during the call on 6/15 and its written response of 6/21. First, Ameritech Michigan disagrees that its scenarios 5 and 6 were a response to AT&T's request to address "line splitting back to UNE-P". Scenario 5 dealt with a change of data providers and Scenario 6 dealt with a data provider adding voice services for its end user. Further, AT&T, in quoting itself, provides a reference to line sharing, not line splitting.

Second, Ameritech Michigan's use of the term UNE-P, as explained on the collaborative calls (6/6 and 6/15), when Ameritech Michigan refers to UNE-P, it means a specific product - an unbundled loop and unbundled switch port that is combined in Ameritech Michigan's network. When UNEs are taken to a CLEC's collo, they are no longer combined in Ameritech Michigan's network. Moreover, where the UNEs are cross-connected and how they are cross-connected necessarily affects how Ameritech Michigan responds to orders, performs maintenance, responds to trouble reports, and bills appropriate charges. For example, when an end user reports trouble and the UNEs serving that end user are cross-connected in the CLEC's collo, Ameritech Michigan may only respond to the trouble on the individual UNEs, it cannot address how the cross-connects are maintained by the CLEC in its collo. In contrast, for a UNE-P, the cross-connect is maintained in Ameritech Michigan's network and Ameritech Michigan can address it in the event of trouble. For example, when the individual UNEs are each cross-connected to the CLEC's collo, two cross-connects apply - one for each UNE. In contrast, for a UNE-P, only one cross-connect applies.

Third, Ameritech disagrees that the "line splitting to UNE-P" scenario is identical to a CLEC to CLEC UNE-P migration. As defined in the tariff:

> A migration is a conversion of an end user's working service such that the telecommunications carrier requests to convert a Company end-user customer, another telecommunications carrier's pre-existing UNE-P end-user customer, or a telecommunications carrier's resale end-user customer to a pre-existing UNE-P. (MPSC Tariff No. 20R, Part 19, Section 15, Sheet 7)

The "conversion from an end user's working service" is premised on there being no physical work required to now make the facilities a UNE-P; i.e., the network elements are in place and connected together in Ameritecdh's network providing service. Hence, a migration is premised on no physical work being required; only some order processing (and translations) is required. In fact, the $0.35 migration charge for UNE-Ps with line-side ports is directly from an AT&T model as adopted by the MPSC in Case No. U-11831. That $0.35 did not in any way contemplate having to rewire two different UNEs from a CLEC's collocation and to combine them together on behalf of the CLEC.

Fourth, we identify some potential confusion in connection with AT&T's indication that Ameritech Michigan carefully delineate what types of loops are assumed in the pricing examples because a CLEC is not necessarily required to buy a xDSL capable loop, even when it plans to provide a data service. This is a confusing assertion because, in the event a CLEC intends to provide data services, it must order a xDSL capable loop so that the proper inventory of advanced services can be maintained by Ameritech Michigan, as it is required to do by the FCC. (E.g., see ¶204 of the FCC's Line Sharing Order, referencing its Advanced Services Order.) On the other hand, CLECs may choose whether or not to have xDSL loop conditioning performed, if such was indicated by the loop qualification. Thus, a CLEC may choose to take the loop "as is".

We look forward to our continued dialogue on Wednesday (6/27).

Thanks,
Kelly

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